

DOCKET NO.

13-54

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FILED/ACCEPTED

June 19, 2013

JUN 19 2013

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VIA HAND DELIVERY
VIA ECFS

Federal Communications Commission
Office of the Secretary

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Applications of AT&T Inc. and Atlantic Tele-Network, Inc. for Consent to Transfer Control and Assign Licenses and Authorizations Held by Atlantic Tele-Network, Inc. and Its Subsidiaries, WT Docket No. 13-54

Dear Ms. Dortch:

Allied Wireless Communications Corporation and Atlantic Tele-Network, Inc. (collectively, "ATN") hereby respond to the June 5, 2013, Information and Discovery Request from the Federal Communications Commission in the above-referenced docket.¹ Enclosed, please find:

- A document providing narrative responses to the applicable items in the Information Request ("Response"), as well as more specific information regarding other media provided in connection with this filing. The Response contains both "Confidential" and "Highly Confidential" information pursuant to the Protective Order² and the Second Protective Order.³
- An encrypted DVD containing the Summation load files for applicable inquiries in the Information Request. The drive contains items tagged as "Highly Confidential" and "Confidential" per the Protective Order and Second Protective Order.

¹ Letter from Ruth Milkman, Chief, Wireless Telecommunications Bureau, to Douglas J. Minster, Allied Wireless Communications Corporation, WT Docket No. 13-54 (June 5, 2013) ("Information Request")

² *Applications of AT&T Inc. and Atlantic Tele-Network, Inc. for Consent To Transfer Control and Assign Licenses and Authorizations*, Protective Order, WT Docket No. 13-54, DA 13-1309 (rel. June 5, 2013).

³ *Applications of AT&T Inc. and Atlantic Tele-Network, Inc. for Consent To Transfer Control and Assign Licenses and Authorizations*, Second Protective Order, WT Docket No. 13-54, DA 13-1310 (rel. June 5, 2013).

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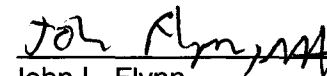
- An encrypted DVD, Bates numbers ATN-000001061, which contains data for the inquiries in the Information Request that meet the requirements for treatment as "Highly Confidential" material under the Second Protective Order.
- An encrypted DVD, Bates number ATN-000001062, which contains data for the inquiries in the Information Request that meet the requirements for treatment as "Confidential" material under the Protective Order.

Pursuant to the procedures set forth in the Information Request and in the Protective Orders, two copies of the Response in redacted form are being filed with the Office of the Secretary. This redacted filing is also being filed electronically through the Commission's Electronic Comment Filing System. In addition, one copy of the filing containing "Highly Confidential" and "Confidential" information is being delivered to the Office of the Secretary and two copies are being delivered to Scott Patrick of the Wireless Telecommunications Bureau's Mobility Division. One copy of the filing containing "Confidential" information also is being delivered to the Office of the Secretary. One copy of each DVD referenced above is being submitted to the Office of the Secretary.

ATN has made an effort to ensure that none of the documents submitted here are privileged under the attorney-client privilege or attorney work product doctrine, or any other applicable privilege. To the extent that any privileged documents may have been inadvertently produced, such production does not waive any applicable privilege. ATN requests that any privileged documents inadvertently produced be returned to ATN as soon as such inadvertent production is discovered by any party, and reserves all rights to seek the return of any such documents.

Please do not hesitate to contact the undersigned should any questions arise concerning this response or the media ATN has provided.

Sincerely,



John L. Flynn

Counsel for Atlantic Tele-Network, Inc.

Encls.

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Federal Communications Commission
Office of the Secretary

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Sincerely,



John L. Flynn
Counsel for Atlantic Tele-Network, Inc.

Encls.

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JUN 19 2013

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Federal Communications Commission
Office of the Secretary WASHINGTON, D.C. 20554

ORIGINAL

In the Matter of

Applications of AT&T Inc. and Atlantic
Tele-Network, Inc. for Consent to the
Transfer of Control of Licenses and
Authorizations held by Atlantic Tele-Network,
Inc. and Its Subsidiaries

WT Docket No. 13-54

**INITIAL RESPONSE OF ATLANTIC TELE-NETWORK, INC. TO
INFORMATION AND DISCOVERY REQUEST DATED JUNE 5, 2013**

June 19, 2013

Introduction

In response to the letter dated June 5, 2013 from Ruth Milkman, Chief of the Wireless Telecommunications Bureau, and to the accompanying Information and Discovery Request for Allied (the "Information Request"), Allied Wireless Communications Corporation and Atlantic Tele-Network, Inc. (collectively, "ATN") provide the following answers and responsive documents, as applicable. Unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Definitions section of the Information Request.

ATN has based its responses on a review of available documents that are reasonably likely to contain responsive information and on inquiries of those individuals and available sources that are likely to have relevant information. In certain cases, ATN does not maintain in the ordinary course of business some of the information requested, or does not maintain the

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information in the precise manner requested. ATN is in the process of collecting and processing other potentially responsive documents, and undertaking the associated privilege and confidentiality review, and will supplement this production and provide a privilege log.¹

In addition, per discussions with Commission staff, ATN notes several qualifications and agreements regarding its submissions. First, as a global matter, the term “Company” will be limited to ATN and Allied, the entities relevant to this proceeding.² Second, ATN and the Commission Staff have agreed that a search of the following custodians will satisfy the Request,³ although ATN may supplement its production with documents, data, or information provided by other employees:

Justin Benincasa
Kenneth Borner
Daniel Deem
Lesia Handly
Bill Kreisher
Daniel Letzler
Jon Lobell
Janet Mack
Frank O’Mara
Gregory McGill
Michael Prior
Brian Taylor

Finally, pursuant to agreement with the Commission staff, ATN is submitting its response with the following qualifications:

¹ ATN has not employed search terms or deduplication technology for the documents being produced with this response. ATN will provide information on search terms and its deduplication process with the supplemental production that will employ those tools.

² ATN’s Shared Services entity, identified in the organization charts delivered to the FCC, supports ATN subsidiaries other than Allied.

³ John Audet, ATN’s Vice President, Finance, is not included, despite his title, because his position involves an almost exclusive focus on ATN’s international subsidiaries.

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- ATN will be producing only “plans, analyses, and reports” in response to Requests 2(b)(i), 3, and 6(a).
- ATN will be producing only “plans, analyses, and reports” for Request 2(b)(ii) except that it will be producing all documents “discussing actual or potential competitive responses by your Company” discussing Verizon Wireless specifically.
- In Request 4(b), ATN interprets the term “relevant market” to mean each Cellular Market Area in the Proposed Transaction.
- In Request 6(f), ATN interprets the term “would affect” to refer to the legal effects of the agreements, not effects arising from business discretion.
- In Request 9, ATN interprets the term “Company” to mean Allied.

Much of the narrative, attachments and submitted documents contain material that is extremely sensitive from a commercial, competitive and financial perspective, and that, in the normal course of its business, ATN would not reveal to the public, to its competitors or to other third parties. Where appropriate, ATN is submitting such material on a confidential and highly confidential basis pursuant to the Protective Order⁴ and Second Protective Order⁵ issued on June 5, 2013. ATN has redacted confidential information and highly confidential information in this response. The redacted submissions are marked, “**REDACTED – FOR PUBLIC INSPECTION,**” and are being filed electronically in the Commission’s Electronic Comment Filing System (“ECFS”). The confidential, unredacted submissions are marked “**HIGHLY CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER AND**

⁴ *Applications of AT&T Inc. and Atlantic Tele-Network, Inc. for Consent To Transfer Control and Assign Licenses and Authorizations*, Protective Order, WT Docket No. 13-54, DA 13-1309 (rel. June 5, 2013).

⁵ *Applications of AT&T Inc. and Atlantic Tele-Network, Inc. for Consent To Transfer Control and Assign Licenses and Authorizations*, Second Protective Order, WT Docket No. 13-54, DA 13-1310 (rel. June 5, 2013) *amended by* Letter from Ruth Milkman, Chief, Wireless Telecommunications Bureau, to Peter J. Schildkraut, Counsel for AT&T, Inc., WT Docket No. 13-54, DA 13-1395 (June 17, 2013).

**SECOND PROTECTIVE ORDER IN WT DOCKET NO. 13-54 BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION – ADDITIONAL COPYING**

RESTRICTED” and are being delivered to the Secretary. Additional copies of the unredacted response are being delivered as instructed in the Information Request. Pursuant to the Protective Orders, the unredacted versions of the confidential and highly confidential response are being delivered to Scott Patrick of the Wireless Telecommunications Bureau.

Any inadvertent inclusion of material subject to the attorney-client, attorney work-product, or other applicable privilege does not constitute a waiver of that privilege. ATN requests the return or destruction of all confidential material at the conclusion of this proceeding.

[remainder of this page intentionally left blank – responses follow]

RESPONSES

1. Provide an organization chart and personnel directory in effect for the Company as a whole and for each of the Company's facilities or divisions involved in any activity relating to any relevant product or any relevant service.

RESPONSE TO REQUEST 1:

ATN is providing responsive documents in its production.

2. The Applicants state that, "[o]n its own, Allied could not build a 4G network that rivals its competitors' in speed and capacity, or deliver these products and services nearly as robustly or as quickly." (Public Interest Statement at i.) Further, the Applicants state that "Allied has struggled to adjust to these changed conditions primarily due to its fragmented footprint and limited spectrum depth. Unlike other regional carriers, Allied operates 10 noncontiguous 'island properties.'" (Kreisher Declaration ¶ 7.)
 - a. Provide all plans, analyses, and reports (including any surveys conducted by the Company or third party) discussing how customers view and value the Company's voice and data network quality, coverage, service plans, pricing, and promotions (including local promotions). Additionally, provide all plans, analyses, and reports discussing levels of, and reasons for, churn.

RESPONSE TO REQUEST 2(a):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

- b. Provide all documents discussing:
 - i. actual or potential competition between the Company and any competing provider's mobile wireless services (either individually or in the aggregate);

RESPONSE TO REQUEST 2(b)(i):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

- ii. actual or potential competitive responses by your Company to any other provider of mobile wireless services, including but

not limited to, new product introductions, pricing, promotions retail locations, service offerings, coverage, and network or technology upgrades; and/or

RESPONSE TO REQUEST 2(b)(ii):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

- iii. spectrum need, spectrum exhaust, or capacity constraints, including attempts by the Company to purchase or lease spectrum or to pursue other partnership arrangements, including but not limited to, joint ventures or mergers.**

RESPONSE TO REQUEST 2(b)(iii):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

- 3. The Applicants assert that Allied has explored offering 4G service, and that the Company discovered that its bandwidth constraints would limit it to offering low-end 4G service. (Kreisher Declaration ¶ 13.) Provide all documents discussing the Company's plans for introducing 4G service (as well as the particular technologies considered), including any discussing potential limitations.**

RESPONSE TO REQUEST 3:

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

- 4. In 2009, Allied represented that it was "committed to investing in the Divestiture Markets to expand and improve the scope of services for existing and new customers." (ATN Response at 10, December 17, 2009, Response to Question III.8.)**
 - a. Provide all plans, analyses, and reports discussing Allied's efforts to effectuate this commitment, including upgrade and buildout plans.**

RESPONSE TO REQUEST 4(a):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

- b. For each relevant market, detail whether and to what extent Allied has expanded coverage or upgraded any part of the network.**

RESPONSE TO REQUEST 4(b):

Allied has taken many steps and invested heavily in expanding coverage and upgrading the network in the Divestiture Markets from shortly after the transaction closed in 2010 to today. Allied has made approximately [BEGIN ALLIED CONFIDENTIAL] [END ALLIED CONFIDENTIAL] in capital expenditures, of which approximately [BEGIN ALLIED CONFIDENTIAL] [END ALLIED CONFIDENTIAL] was spent to build, upgrade and expand the network during that time while the balance was spent on IT, retail and other administrative initiatives.

2010

When the purchase of the Divestiture Markets closed on April 26, 2010, Allied Wireless entered into a 12-month Transition Services Agreement with Verizon, during which time Allied used Verizon's core network elements, but also engaged in building its own core infrastructure to which all customers in the 26 acquired markets would later be transitioned. In order to accomplish this, personnel were hired, the network was designed, contracts were entered into with necessary service providers and equipment infrastructure vendors, and equipment was ordered, delivered, deployed, commissioned, tested and placed into service. This activity occurred across all acquired markets beginning immediately upon close and continued until mid-2011.

The primary objective in building the new core infrastructure was to ensure product and service continuity to the customer base after transitioning to the new platforms. In addition, new data center locations were leased and core transport infrastructure equipment deployed to ensure geographic redundancy and seamless failover in the event of catastrophic failure at one location. In 2010, Allied invested approximately [BEGIN ALLIED CONFIDENTIAL] [END ALLIED CONFIDENTIAL] on core network infrastructure including a 2.5gig wave ring lease, data center construction, SS7 signaling switches, AAA, HLR, PDSN, SMSC, MMSC, voice mail, MIG, OTA, NMS and Network Performance and monitoring tools. A Network Operations Center was also established and staffed to accommodate 24X7 network monitoring and surveillance.

Existing infrastructure was also upgraded to accommodate growth to the switching platforms that was required to support additional cell site capacity resulting from numerous cell sites having to be 're-homed' to Allied from Verizon switches. Funding was allocated to support hardware and software upgrades, advances in technology, customer growth, and new cell site additions to improve coverage across the market areas. This accounted for an additional [BEGIN ALLIED CONFIDENTIAL] [END ALLIED CONFIDENTIAL] investment, for a total of [BEGIN ALLIED CONFIDENTIAL] [END ALLIED CONFIDENTIAL] in 2010.

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During 2010, there were [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] new cell sites added to the network [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL] and [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] carrier additions [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] to accommodate growth in customer usage. See table at end of this response for details of cell sites and carrier additions by CMA.

The below table depicts capital spend for the top 2010 network projects (excluding funds allocated to new cell sites). [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

2011

The first half of 2011 was spent in the deployment and testing phase of the new network infrastructure as well as continuation of improvements to the existing network elements. Customers were transitioned to the new network elements during the second and third quarters of 2011. During 2011 and into 2012, Allied faced significant network quality and performance challenges on the network borders due to the network migrations and other system changes that were performed by Verizon. Allied invested significant time, money and resources in an attempt to mitigate these issues; however,

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Allied was unable to replicate the legacy network design at or near the borders of the licensed footprint and, as a result, performance degraded and customer churn increased markedly. (See response to Request 7 for details regarding efforts and costs associated with mitigation.)

Allied also purchased a Device Testing Lab, including 5 employees, from Verizon for approximately [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] and spent an additional [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] on test equipment and other upgrades. This lab is used for the testing, evaluation and qualification of new mobile devices before they are released for sale to customers.

In early 2011, Allied began to investigate the feasibility of upgrading its markets to LTE and issued an RFP to several Radio Access Network infrastructure providers for a LTE technology upgrade. All responders to the RFP were interviewed and four vendors were selected for further investigation. This work was carried out throughout the year.

During 2011, there were [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] new cell sites added to the network [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL] and [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] carrier [technical carriers] additions [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] to accommodate growth in customer usage.

See table at end of this section for details of cell sites and carrier additions by CMA.

The below table depicts capital spend for the top 2011 network projects (excluding funds allocated to new cell sites). Total capital investment was [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

2012

Allied continued to face network quality challenges as Verizon made changes to its network that adversely impacted customers' experience when near borders or roaming. In an effort to maintain quality, [BEGIN ALLIED CONFIDENTIAL]

[END ALLIED CONFIDENTIAL]

Allied also continued infrastructure investments. Allied narrowed the list of LTE RFP responders and began negotiations with potential LTE vendors and also undertook a separate but related effort to upgrade cell site backhaul from traditional TDM based T1 technology to Ethernet private line service. Allied issued an RFP for Ethernet service to cell site locations, which was required for the deployment of LTE and also advantageous for existing technologies because the total cost per cell site was often equal to or less than the cost of the existing T1 technology. Ethernet upgrades offered the opportunity to reduce the existing cost structure while increasing bandwidth available to accommodate growth on current and future technologies. In addition, Allied purchased and began to deploy Ethernet backhaul routers and aggregators at all cell site locations, permitting concatenation of existing T1s into one pipe and creating operational efficiencies while also facilitating the potential deployment of LTE.

During 2012, there were [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] new cell sites added to the network [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] and [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] carrier additions [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] to accommodate customer usage. See table at end of this section for details of cell sites and carrier additions by CMA.

The below table depicts capital spend for the top 2012 network projects (excluding funds allocated to new cell sites). Total capital investment for 2012 was [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

2013

During 2013, there were [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] new cell sites added to the network [BEGIN ALLIED HIGHLY CONFIDENTIAL] and [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] carrier additions YTD [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] to accommodate customer usage. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL] See table at end of this section for details of cell sites and carrier additions by CMA.

The below table depicts capital spend for the top 2013 network projects (excluding funds allocated to new cell sites). Total capital investment for YTD 2013 is [BEGIN ALLIED HIGHLY CONFIDENTIAL]

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[END ALLIED HIGHLY CONFIDENTIAL]

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The below table depicts network capital spend by budget category for the years 2010 through YTD 2013 and inclusive of the GA8 partnership markets. **[BEGIN ALLIED HIGHLY CONFIDENTIAL]**

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[END ALLIED HIGHLY CONFIDENTIAL]

- c. Discuss any additional services or device offerings that Allied has introduced. At this time, what percent of Allied's customers have a 3G capable device?

RESPONSE TO REQUEST 4(c):

Services and Offerings:

Allied has introduced numerous service and device offerings since 2010, with two primary focuses. First, Allied needed to replicate as much as possible the product and feature set the existing customer base enjoyed as Verizon customers. A substantial change in the products and features after the transition from Verizon to Allied would in turn spur substantial churn. Second, Allied needed to continue to expand the service offerings in line with the changes in the marketplace. With these principles in mind, Allied introduced service and device offerings as follows:

2010

- 1st Android Smartphone – HTC Hero

2011

- SmartChoice Rate Plans
- 'Best Value' Monthly Unlimited Plans
- 1st Tablet – Motorola XOOM
- 1st Mifi – ZTE AC30
- 1st Samsung Galaxy
- Lifeline
- Voice2Text
- Ringback Tones
- wMode Storefront
- Premium (short code) Messaging
- Directory Services
- Premium Voicemail
- Roadside Assistance
- Enterprise Data
- Handset Insurance
- BREW
- Mobile Web
- Blackberry
- \$45 Unlimited Talk Text and Web
- Prepaid Wireless Internet

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2012

- Mobile Broadband Rate Plans
- Best Value Rate Plans for Business
- Axesstel Home Wifi Router
- Text2Landline
- Walmart UPrepaid

2013

- iPhone – 4, 4S, 5 (except Idaho)
- Prepaid Data Plans
- “Flexible” Prepaid Rate Plans
- Wireless Replacement Home Phone – Huawei FT2260
- My Alltel Self Care Application
- New Handset Insurance Tiers
- Additional Tiered Data Plans

Postpay service plan evolution:

The following represent major launches by Allied:

- *BestValue Unlimited rate plan launch (11/24/2011):* With the increasing pervasiveness of unlimited talk and text plans in the market, Allied launched the BestValue unlimited talk and text rate plan for \$45.
- *Metered Data launch (11/24/2011):* Metered data was also introduced in conjunction with these BestValue rate plans. This launch provided customers the ability to monitor their data usage. Initially launched with a 2GB data package for smartphones, the plan was expanded in 2012 to include more data package options.
- *Mobile Hotspot launch (9/14/2011):* Mobile Hotspot for Android devices was launched allowing multiple data users to connect via one device. This plan was priced as a \$20 add on feature to an existing data package.
- *Multiple Data Tiers launch (7/6/2012):* New data packages were expanded to both feature phones and smartphones. This launch provided customers the ability to monitor their data usage. Multiple tiers of data allotments were available beginning with pay-per-use for \$1.99/MB through \$70/month with a 10GB data allowance.
- *Stand Alone Data Plan evolution (1/20/2012):* Nationwide data plans were supplemented with a suite of local data plans serving individual markets all while on the Allied network. These plans included 500MB data allowance for \$24.99 / month and 5GB data allowance for \$44.99 / month.

Prepay service plan evolution:

The following represent major launches by Allied:

- *\$45 Unlimited Talk Text and Web (10/14/2011)*: With the increasing pervasiveness of unlimited talk and text plans in the market, Allied launched the Best Value unlimited talk and text rate plan for \$45.
- *Prepaid Data Plans for Smartphones (10/28/2011)*: Metered data plans for prepaid were introduced with the launch of smartphones. Initially two price points were offered: \$15 for 100MB and \$30 for 1GB of data.
- *Prepaid Wireless Internet (10/28/2011)*: National Mobile Broadband plans were added to the prepaid lineup. They included a 500 MB plan for \$49.99 and a 5GB plan for \$69.99.
- *Walmart UPrepaid (5/11/2012)*: Uprepaid launched in Walmart with pay-per-use, pay-per-day and monthly rate plans. Feature phones could pick from the \$.25 pay-per-use plan, \$1 pay-per-day plan, or a monthly plan which ranged from \$30 for 1,500 to \$40 for Unlimited Talk and Text. Smartphones had a \$50 plan which included Unlimited Talk and Text plus 2GB of data.
- *Multiple Data Tiers launch (4/7/2013)*: New data packages were expanded to both feature phones and smartphones. This meant multiple tiers of data allotments were available beginning with \$10 for 250 MB through \$25 / month with a 2GB data allowance.

3G Capable Devices:

At this time, the percentage of Allied customers that have 3G capable services is [BEGIN ALLIED
HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL].

5. **The Applicants emphasize the scattered, rural nature of Allied's footprint, asserting that Allied faces significant obstacles to serving customers on a going forward basis. (E.g., Public Interest Statement at 19.) Explain in detail the competitive decisions (pricing, device equipment availability, service plans, promotions, coverage, retail locations, etc.) made by Allied at the national, regional, state, or local level, including a full description of any differences in the price of the plans, add-ons, promotions, retail operations, coverage or devices that depend on the geographic location of the subscriber. Provide all documents relied on in preparing this response. Further, explain how these obstacles have increased, if they have, since Allied acquired its licenses in 2010.**

RESPONSE TO REQUEST 5:

How the Scattered, Rural Footprint has Impacted Competitive Decisions: Unlike any other regional carrier, Allied operates 10 non-contiguous and unnaturally shaped network “islands” created in 2010 and 2011, when otherwise seamlessly integrated networks were separated during the divestiture and transition processes. These islands today generally make up rural areas surrounding metropolitan areas, but do not include any of the metropolitan areas themselves where many of Allied’s subscribers work or otherwise spend significant amounts of time. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

The impact of Allied’s scattered, rural footprint has been exacerbated in three key ways since 2010. Those are:

(A) *Explosive data growth has greatly increased the expected long-term roaming exposure:* [BEGIN ALLIED HIGHLY CONFIDENTIAL]

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[END ALLIED HIGHLY CONFIDENTIAL]

(B) Network edges were created in unnatural locations leading to service quality issues and churn elevation: **[BEGIN ALLIED HIGHLY CONFIDENTIAL]**

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[END ALLIED HIGHLY CONFIDENTIAL]

(C) Misalignment with DMAs for media purchasing causes inefficiencies, thus limiting reach and causing brand awareness and shopping consideration to drop: Allied's lack of a contiguous operating area has made it extremely difficult for the company to efficiently promote and market the Alltel brand to its customers dispersed across its various network islands.

[BEGIN ALLIED HIGHLY CONFIDENTIAL]

REDACTED – FOR PUBLIC INSPECTION

[END ALLIED HIGHLY CONFIDENTIAL]

Impact of these Problems: Efforts at overcoming the unique, challenging factors discussed above have been largely unsuccessful, and the result has been a dramatic negative effect on Allied's business.

[BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

Level at which Decisions are Made: Decisions regarding service offerings, their pricing, promotions, and customer-impacting policies are made at **[BEGIN ALLIED CONFIDENTIAL]**

[END ALLIED CONFIDENTIAL]

- (4) *Efforts to jump start dormant markets:* Certain Allied markets with very low subscriber densities present economic challenges disproportionate to other Allied markets. Although the costs are the same as other markets for operations, these operations generate little or no retail revenue and brand awareness in these markets is very low because there is no critical mass of existing customers to provide positive word of mouth. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

ATN will produce the documents relied on in a supplemental production.

6. The Applicants argue that “[b]ecause 78 percent of Allied’s subscribers reside in a county on the edge of Allied’s licensed area, they roam more than other carriers’ customers.” (Public Interest Statement at 11-12.) “Approximately 15 percent of calls placed by Allied’s customers are made off network.” (Public Interest Statement at 22.) Further, the Applicants emphasize that as mobile broadband usage increases, the relatively higher use of data roaming by Allied’s customers will further increase its roaming costs relative to other service providers. (Public Interest Statement at 22.)
- a. Provide all documents discussing the geographic distribution of subscribers, subscriber calling and mobile data usage activity, and incremental roaming costs of Allied subscribers.

RESPONSE TO REQUEST 6(a):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

- b. Provide for each month, expenditures on voice and data services resulting from Allied subscribers roaming off your Company’s network. Additionally, provide for each month, voice and data service revenues generated by other providers’ subscribers who roam on your Company’s network.

RESPONSE TO REQUEST 6(b):

ATN is producing responsive information in Exhibit 6 in an enclosed DVD. Please also see the response to 6d.

- c. Provide any financial models projecting subscribers, service revenues, and roaming expenses and revenues.

RESPONSE TO REQUEST 6(c):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

- d. Describe in detail any increase in roaming expenditures and revenues since Allied acquired its licenses in 2010.

RESPONSE TO REQUEST 6(d):

Data usage by Allied subscribers has grown exponentially in the past three years, a trend which is expected to continue in the years to come. While Allied smartphone subscribers on average consumed around [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] MB of data per month in late 2009, that number exploded to over [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] MB of data by the end of 2012. Over the same period, postpaid sales of smartphones grew from [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY

CONFIDENTIAL]

In addition to straining Allied's 3G network and limited spectrum capacity, this development has been particularly burdensome for Allied as a result of its roaming cost structure, which Allied believes is unlike that faced by any other retail wireless carrier in the country. With 78% of Allied's subscribers residing along Allied's network border and a further 6% residing outside Allied's licensed coverage area, approximately 10% of Allied subscriber's calls and data down/uploads occur on other carriers' network – a number that is 5-15 times the industry roaming average of only 1-3%. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

Allied receives roaming revenue from CDMA carriers in all states and GSM carriers in Idaho, Illinois and Georgia. Allied's roaming revenue was [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] million in 2011 and [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] million in 2012. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

- e. **Provide copies of all current roaming and build-out agreements and any attachments in any relevant area and explain the Proposed Transaction's effects on these agreements, including whether these agreements may be terminated early as a result of the Proposed Transaction; and**

RESPONSE TO REQUEST 6(e):

ATN will produce responsive documents in a supplemental production. Currently, Allied's customers roam and Allied derives roaming revenue from the CDMA roaming agreements that will be produced in a supplemental production. Allied also derives revenue from Commnet Wireless, LLC ("Commnet") roaming partners roaming in Allied markets under the Commnet GSM roaming agreements that will be produced in a supplemental production.⁶ Under the Purchase Agreement, AT&T will assume only the CDMA roaming agreements, as these are "primarily related" to the Business (as defined in the Purchase Agreement), while the GSM roaming agreements, which are primarily related to Commnet's business, are "Excluded Assets" under the Purchase Agreement.

- f. **Explain whether any agreements would affect the proposed network transition in any relevant area.**

RESPONSE TO REQUEST 6(f):

[BEGIN ALLIED HIGHLY CONFIDENTIAL]

⁶ Commnet is a separate wholly-owned subsidiary of ATN that provides wholesale wireless service in the United States.

[END ALLIED HIGHLY CONFIDENTIAL]

7. The Applicants contend that “[customer] movement on and off Allied’s network has resulted in degraded customer experiences at the edges of Allied’s service areas due to dropped calls, signal loss, etc., and these problems have led to significant churn.” (Public Interest Statement at 21.) Further, the Applicants state that “network quality at the edge of service areas is poor due to the difficulties of inter-network handoffs, resulting in a degraded customer experience” and that “[c]oncentrated efforts by Allied to mitigate the edge experience issues have yielded minimal success.” (Kreisher Declaration ¶ 8.) Provide all plans, analysis, and reports discussing network quality issues, churn resulting from degraded network quality, and efforts taken by Allied to mitigate these issues.

RESPONSE TO REQUEST 7:

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

Higher churn at borders: Unlike any other regional carrier, Allied operates 10 non-contiguous and unnaturally shaped network “islands” created in 2010 and 2011 when previously seamlessly integrated networks were separated. These islands today generally make up rural areas surrounding metropolitan areas, but do not include the metropolitan areas themselves where many of Allied’s subscribers work or otherwise spend significant amounts of time. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

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[END ALLIED HIGHLY CONFIDENTIAL]

As a representative example, the map below depicts four border areas at the edges of one of Allied's "island" areas, **[BEGIN ALLIED HIGHLY CONFIDENTIAL]**

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[END ALLIED HIGHLY CONFIDENTIAL]

REDACTED – FOR PUBLIC INSPECTION

This effect on churn has been particularly pronounced in Allied's border areas (*i.e.*, on its network edges) across its network as shown in the inserted graphic: [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

Efforts to Mitigate Border Issues:

Allied has tried extensively to improve service quality and network hand-offs for its customers, as described in detail in the chart below and materials submitted in response to this question. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL] Following is a chronology of events and efforts taken to mitigate network edge quality issues: [BEGIN ALLIED HIGHLY CONFIDENTIAL]

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[END ALLIED HIGHLY CONFIDENTIAL]

8. The Applicants state that “Allied suffers inefficiencies created due to distances between its various noncontiguous operating areas and their atypical borders.” In particular, Allied claims that “switching and interconnection infrastructure are inefficient and have unusually high associated expenses [, . . . ,] the company has redundant field network and sales expenses [, . . . ,] and advertising cannot be effectively targeted toward potential customers.” (Public Interest Statement at 21.) Additionally, the Company states that “lack of scale and presence in major markets have also prevented it from securing distribution through major retail chains.” (Kreisher Declaration ¶ 10.) Further, the Company describes the difficulties in obtaining consumer devices. (Kreisher Declaration ¶ 16.) Provide all documents relied on in preparing these statements, as well as all plans, analyses, and reports discussing Allied’s:

- a. expenses resulting from its geographically dispersed markets and efforts made to mitigate these expenses; and

RESPONSE TO REQUEST 8 (a):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

The illustration below highlights the 10 non-contiguous geographic clusters in which Allied operates:
[BEGIN ALLIED CONFIDENTIAL]

[END ALLIED CONFIDENTIAL]

In addition to network issues associated with the geographically dispersed nature of the Allied markets, there are increased, ongoing expenses associated with operating the markets as follows:

- *Roaming expense:* elevated by [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] for border relative to interior counties. [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] of our subscribers are in border counties and [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] are in interior counties, implying a [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] elevation in roaming expense overall. This results in the following incremental roaming expenses:
 - 2011 (actual): [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL]

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- 2012 (actual): [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL]
- 2013 (projected based on budget): [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL]

- *Switching expense*: Allied operates five switches for its markets:

- Albany, GA
- Piedmont, SC
- Mansfield, OH
- Sesser, IL
- Castle Rock, CO

The Albany and Piedmont switches handle all Allied customers within GA, SC, and NC and would be capable of handling all Allied customers were they all located in the Southeast U.S. This need for geographic dispersion to maintain quality increases the ongoing operating and capital expense needs by expanding the number of switches needed.

- *Interconnect expense*: Allied operating expense for interconnect was [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] in 2012. Approximately half the expense is associated with circuits that connect to individual cell sites. This expense is driven primarily by the number of nodes (cell sites) that need to be reached and the difficulty of reaching each one.

The other half of this [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] is highly impacted by the island nature of Allied's markets. It is related to high-order circuits that aggregate traffic from individual cell site connections, trunking circuits and core signaling circuits. Geographic dispersion increases the number of circuits that are needed and reduces opportunities for scale savings by passing more traffic through a smaller number of connections.

- *Retail distribution and sales management*: During 2012, Allied spent [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] on its company owned retail distribution network of 52 stores. Allied believes that it requires considerably more points of distribution to cover its non-contiguous operating footprint today than it would if it covered a similar number of POPS in one geographic cluster.

Within Allied's existing retail cost structure, inefficiencies are incurred due to inefficiencies in store staffing caused by the inability to share resources between stores.

Of the [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] spent on retail distribution in 2012, [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] was spent on the rent and maintenance of its physical locations. This spend is largely based on the number of locations operated by Allied.

While the number of locations operated does depend on the geographic spread of the markets, the island nature of Allied's markets inflates retail distribution expense substantially due to staffing requirements stemming from the inability to leverage staffing across non-contiguous markets. Of the [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] spent in 2012, [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL] was spent on employee compensation (in salaries, benefits, and direct commissions), payroll taxes, and employee expenses.

Each physical location has a minimum staffing requirement during hours of operation, which is established either by the expected customer interaction needs or as a bare minimum to ensure proper function of the store as well as employee safety. These minimum staffing requirements then translate into a FTE hours required per store. The pool of employees eligible to fill these FTE requirements is limited by the employees that live within commuting distance to that store. The larger the distance between the stores, the fewer the employees who are within reasonable driving distance resulting in fewer candidates to fill the hours. When stores are more geographically clustered, personnel may be shared by several stores thus yielding a much more efficient staffing model. With Allied stores being more isolated geographically, "staffing dead weight" exists out of necessity in order to achieve the required staffing levels.

- *Incremental acquisition cost (handset and commission) burden per sub:* As discussed in (7), the scattered geographic nature of Allied's markets contributes to increased churn. At higher churn levels, the expected lifetime over which the high upfront cost to acquire a sub may be amortized is decreased. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

- *Reduced advertising spend efficacy:* See discussion in item 5 regarding advertising spend inefficiencies.

b. efforts made to obtain consumer devices and retail distribution.

RESPONSE TO REQUEST 8(b):

ATN is producing responsive documents, if any, based on materials previously collected, and is searching for and will produce responsive documents from the agreed custodians in a supplemental production.

Consumer Devices Summary: A relevant, competitively priced device assortment is the primary driver of new customer traffic to wireless stores. There are a number of factors that affect Allied's ability to successfully acquire and maintain a relevant and competitive wireless device assortment. Those factors include [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

Distribution Summary: Allied lost distribution rapidly after the closing of the transaction with Verizon. The fragmented Allied footprint consisting of non-contiguous markets without natural boundaries, such as state lines, rivers, etc., was the major cause of this loss. This irregular footprint excluded critical communities of interest for Allied creating a “bedroom community” type coverage area surrounding – *but not covering* – a larger center of population as demonstrated in the maps below. [BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY CONFIDENTIAL]

- c. Describe whether and, if so, how these inefficiencies have increased since Allied acquired its licenses in 2010.

RESPONSE TO REQUEST 8(c):

Network Inefficiencies: The inefficiencies and other problems facing Allied have increased dramatically since 2010. Since that time, nationwide 4G networks and their associated high speeds and devices have quickly become the new consumer standard. As smartphone and data usage have grown, so have consumers' expectations of high data download speeds. As Allied's competitors have introduced 4G networks both in Allied's service areas and at a nationwide level, consumers have increasingly begun to expect 4G coverage everywhere they go.

In this environment, with Allied's direct facilities-based competitors having launched (or well advanced in the process of launching) 4G services, Allied has fallen behind: [BEGIN ALLIED HIGHLY CONFIDENTIAL]

REDACTED – FOR PUBLIC INSPECTION

REDACTED – FOR PUBLIC INSPECTION

[END ALLIED HIGHLY CONFIDENTIAL]

REDACTED – FOR PUBLIC INSPECTION

In the face of this spectrum exhaustion and need for additional spectrum for 4G deployment, Allied and ATN looked to the secondary market and FCC proceedings for supplemental spectrum, but with limited success. See documents submitted in response to 2.b.iii, above.

Network Inefficiencies: As described in greater detail in Items 5, 7 and 8a, exploding data usage has exacerbated the problems caused by Allied's unique footprint, caused roaming expenses to increase substantially.

Distribution Inefficiencies: As described in greater detail in Item 8b, Allied has lost substantial distribution, in large part because of its scattered footprint.

Device Inefficiencies: As described in greater detail in Item 8b, Allied has struggled to carry the latest devices, which have become increasingly important to consumers as smartphones proliferate.

Advertising Inefficiencies: As described in greater detail in Item 5, the challenges advertising to a fragmented market have increased because of customer confusion about Allied v. Verizon in the wake of the divestiture.

[BEGIN ALLIED HIGHLY CONFIDENTIAL]

[END ALLIED HIGHLY

CONFIDENTIAL]

The result of these inefficiencies has been competitive losses. At the start of 2010, Allied estimated its market share to be [BEGIN ALLIED HIGHLY CONFIDENTIAL] [END ALLIED HIGHLY CONFIDENTIAL]. By the end of 2012, Allied market share had dropped [BEGIN ALLIED HIGHLY CONFIDENTIAL]

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[END ALLIED HIGHLY CONFIDENTIAL]

- 9. Provide a list, in csv format, as of the date of this Request, for each county within each state of each spectrum license that can be used in the provision of mobile wireless services that the Company holds, has a joint venture or other business arrangement with regard to, leases from another person, has another interest in,**

manages, has contracted to acquire, or is in negotiations to acquire. For each license, identify the: (a) FIPS Code; (b) county; (c) state; (d) market name; (e) market number (in the case of CMA, MTA, or BTA); (f) spectrum type; (g) spectrum block; (h) amount of spectrum; (i) the wireless technology format deployed or planned (*e.g.*, GSM, EDGE, CDMA, EV-DO, EV-DO Rev. A, UMTS, HSPA, HSPA+, LTE); and (j) whether the Company: (i) holds; (ii) has a joint venture or other business arrangement with regard to; (iii) leases to or from another person; (iv) has an interest in; (v) manages; (vi) has contracted to acquire; (vii) is in negotiations to acquire; or (viii) plans to sell.

RESPONSE TO REQUEST 9:

License county data is provided in .csv format as specified in Exhibit 9 on the enclosed DVD. Leased partial counties are designated by an asterisk next to their county name. Where licenses shown cover less than the full CMA, this reflects counties for which ATN has filed CGSA showings and thus can provide mobile wireless service.

10. Provide, as of the date of this Request, maps by bands of the geographic coverage of each relevant wireless service provided by the Company, distinguishing by technological format (*e.g.*, GSM, EDGE, CDMA, EV-DO, EV-DO Rev. A, UMTS, HSPA, HSPA+, LTE). Provide the maps in a geo-referenced format, such as a shapefile (for ArcMap) or table (for MapInfo), and provide all assumptions, methodology (*e.g.*, propagation, field measurements), calculations (including link budgets), tools (*e.g.*, predictive and field measurements) and data (*e.g.*, terrain, morphology, buildings) used in the production of the maps.

RESPONSE TO REQUEST 10:

AWCC is providing Exhibit 10, which is on the enclosed DVD containing geospatial shape files at -94 RSRP in MapInfo format depicting AWCC's geographic LTE coverage for the CMAs relevant to the transaction. It also contains geographic grid files in MapInfo format depicting AWCC's geographic coverage for CDMA, EVDO, and GSM for the CMAs relevant to the transaction.

AWCC's markets use the Mentum Planet propagation tool to generate signal level files which are collected and compiled to create radio frequency propagation coverage maps. Inputs to the propagation tool include cell site location, antenna height, antenna down tilt, direction of the antenna (azimuth) and antenna power, signal power, terrain and clutter information. AWCC uses market specific terrain and clutter data for more accurate prediction and propagation analysis. This terrain and clutter data is provided by Ericsson and is specific to the Mentum Planet propagation tool. The clutter and terrain data consist of data that accounts for the following relevant classes of clutter/terrain: forest, urban, dense urban, suburban with trees, water and mountains. To maintain the accuracy of the Ericsson data, AWCC's markets ensure that the data is not altered in any way from what is delivered by Ericsson. AWCC's clutter and terrain files are as up to date as Ericsson provides to the commercial market.

AWCC customizes the Mentum Planet propagation tool primarily through the use of area specific propagation models. AWCC relies on its System Performance Engineering organization to drive test the market and analyze the drive test data utilizing the Actix Analyzer tool. Actix Analyzer is a desktop software solution for expert drive test post-processing, supporting network optimization and network troubleshooting. Analyzer has supported 2G, 3G and now 4G/LTE rollouts with flexible and powerful drive survey analytics. Based on the results of the drive test, AWCC's RF Engineering organization can adjust the models with Mentum Planet to account for the latest land use data.

Propagation coverage files generated by AWCC's markets are consolidated in AWCC's Service Knowledge tool, which merges and translates the files into a nationwide, contour format.

11. Provide the Company's monthly subscriber data, as specified in Attachment A.

RESPONSE TO REQUEST 11:

Monthly subscriber data is provided in .csv format as specified in Exhibit 11.1 on the enclosed DVD. The requested information extends beyond what is normally used by Allied for management and control purposes in the ordinary course of business. Allied was able to generate some of the information that was not readily available, but some requested data points were not able to be provided. Allied does track subscriber counts, gross adds and disconnects for postpay and prepay by geography. Subscriber stats and ARPU's are also tracked by type of subscriber and device type but not also by geography within the normal course of business, though a geography-based view has been created for this request. The location of a subscriber is based upon the zip code of the account billing address.

Note that subscriber-level revenue information is only available for March 2012 and beyond. Prior to this time, Allied possesses only aggregate revenue information which is not broken down at the CMA or device type level. Therefore, ARPU results in the submission begin in March 2012. Further, margins at a CMA level cannot be produced out of our accounting platforms and are not used in the ordinary course of business, so this information was not included in the response. Finally, for July 2011 and prior, subscriber records which can be viewed at the CMA were maintained in a legacy system no longer supported for daily operations. These subscriber counts are not part of this submission. To the degree that this data can be generated and validated, ATN will provide it as a supplemental production.

Allied has included a supplemental file in support of this request (Exhibit 11.2), and further assumptions and data parameters are called out on the "Notes" tab in that file.

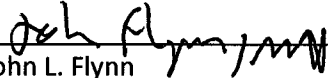
12. Provide the Company's monthly porting data, as specified in Attachment B.

RESPONSE TO REQUEST 12:

Monthly port volume data is provided in .csv format as specified in Exhibit 12.1 on the enclosed DVD. The requested information extends beyond what is normally used by Allied for management and control purposes in the ordinary course of business. The Syniverse port clearinghouse serves as the source of the data, and this data is stored for analytical purposes within the Allied information warehouse. The customer record is then paired against data warehouse records from the Allied billing system, and the zip code of the billing address is used to determine the CMA.

Allied has also included a supplemental file in support of this request (Exhibit 12.2), which contains a CMA by CMA summary of these porting results.

Respectfully submitted,



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